June 13, 1991

Mr. Gary Powley MCDONNELL DOUGLAS REALTY COMPANY 18881 Von Karman, Suite 1200 Irvine, CA 92715

Subject:

Revised Proposal for Phase II Environmental Assessment at the Douglas Aircraft

Company C-6 Facility, Parking Lot and Tool Storage Yard

Dear Mr. Powley:

As requested by McDonnell Douglas Realty Company (MDR), we are providing this letter proposal for a Phase II Environmental Assessment of two parcels at the Douglas Aircraft Company (DAC) C-6 Facility located in Los Angeles, California (the Torrance site). A Phase I Environmental Assessment of the subject property was completed by Camp Dresser & McKee Inc. (CDM) and a report was submitted to MDR on April 30, 1991. Based on the results of the Phase I assessment, and due to the fact that the presence of contaminated ground water from off-site sources is not of primary concern, past or present activities at the project site do not warrant an extensive Phase II investigation. However, a preliminary subsurface soil investigation has been requested by MDR to provide an additional level of confidence regarding subsurface soil conditions at the subject property.

The objectives of the Phase II assessment are to provide further data on the potential for past or present activities on site to have resulted in subsurface soil contamination. In addition, the Phase II assessment may help to determine if any off-site activities have adversely impacted subsurface soil conditions at the project site.

The Phase II investigation will focus on the subsurface soils at both the parking lot and the tool storage yard. The area of greatest concern at the parking lot is along the western and northwestern boundary where ground water contamination of Trichloroethylene (TCE) has been detected in two monitor wells. The main areas of focus at the tool storage yard will include the areas bordering the Montrose Chemicals site and the DWP power substation, along with the main portion of the tool storage yard.

SCOPE OF WORK

Soil Boring Locations

For the purposes of this proposal, it is assumed that five to six soil borings will be required (three at the parking lot and two to three at the tool storage yard) to accomplish the objectives of the Phase II assessment. The attached figure shows the approximate locations of these soil borings. As previously mentioned, focus areas include the western and northwestern borders of the parking lot along with the areas of the tool storage yard which border the Montrose Chemicals site and the DWP power substation.

Underground Service Alert will be notified by CDM prior to drilling at the proposed locations. In addition, MDR shall supply plans of all underground utilities on each parcel and confirm all soil boring locations prior to drilling. Provided that CDM specifies boring locations on these plans which are to be clear of utilities and accurately identifies these locations in the field, we understand

McDonnell Douglas Realty Company Mr. Gary Powley June 13, 1991 Page 2

that MDR accepts full responsibility and liability for any subsurface structures which might be accidentally encountered during drilling.

Soil Sampling

Soil sampling will be performed by use of hollow-stem auger drilling methods. Soils will be collected at five-foot intervals using a split-spoon type device (California Ring Sampler) lined with two to four, six-inch long brass sleeves. The lowermost sleeve from each five-foot sample interval will be prepared by covering the ends with teflon tape and securely taping plastic caps over the ends. Samples will then be labeled, placed inside a zip-lock bag, and stored in an ice filled cooler. Chain-of-custody forms will accompany the samples at all times. All samples will be submitted to the lab for compositing into one sample which is representative of the entire boring. Compositing is recommended because it provides the most cost effective means of confirming the presence or absence of contamination at each location. In the event that contamination is identified in the composited sample, individual depth specific samples will be available for additional analysis. CDM will not proceed with additional depth specific analysis without prior authorization from MDR.

Total depth of the soil borings will be approximately 30 feet. Shallow ground water occurs at a depth of approximately 70 feet, therefore, these borings will not penetrate water bearing sediments.

All soil removed from the borehole will be containerized in 55-gallon drums for disposal by MDR.

Sample Analysis

The analytical protocols established for the soil samples collected during this investigation are based on available information concerning past and present activities at the project site and surrounding properties. Due to the known presence of ground water contamination of TCE, chloroform, and a variety of other volatile organic compounds, all soil samples will be analyzed according to EPA Methods 8010/8020 for the presence of halogenated and aromatic volatile organic compounds. In addition, all samples will be analyzed for 13 Priority Pollutant Metals according to EPA Methods 6010 and 7000 series due to the fact that metal processing plants are adjacent to both parcels. Two soil samples collected adjacent to the Montrose Chemicals site and the DWP power substation will also be analyzed for Organochlorine Pesticides and PCB's according to EPA Method 8080 due to the documented DDT contamination at the Montrose site and potential for PCB contamination adjacent to the DWP substation. All soil samples will be screened in the field with either a photoionization detector or a flame ionization detector for the presence of volatile organic compounds.

Report Preparation

The data gathered during the previous tasks will be evaluated and an interim draft report prepared and submitted to MDR for review and comment. The report will address the results and conclusions of the Phase II activities and will include maps showing the nature, concentrations, and distribution of any identified contamination. The report will also present further recommendations, if necessary. Upon receipt of comments from MDR, CDM will revise the report appropriately.

McDonnell Douglas Realty Company Mr. Gary Powley June 13, 1991 Page 3

SCHEDULE

Site preparation and soil sampling will require approximately three days. Assuming that final laboratory results will be available approximately two to three weeks after sampling, the total time required to complete the Phase II assessment from notice to proceed is approximately six weeks.

Attachment A to this letter presents our cost estimates with two alternatives identified for either five or six total borings. Our contract terms are also included on Attachment B. As proposed, the total cost of the work including five soil borings is \$13,578. Therefore, the upper limit would increase from \$9,139 to \$22,717. The total cost for the recommended six soil borings is \$14,350 which would increase the not exceed limit for Phase I and II Environmental Assessments from \$9,139 to \$23,489. If you find this proposal acceptable per the scope of work described above, the budgetary terms provided in Attachment A, and contract terms provided in Attachment B, please sign in the designated space below and return one copy of the original.

CDM sincerely appreciates the opportunity to prepare this letter proposal. We look forward to working with MDR on this Phase II Environmental Assessment. Please do not hesitate to contact us if you have any questions.

Sincerely,

Attachments

CAMP DRESSER & MCKEE INC.

Pavid C. Chamberlin Vice President	Suzanne M. Rowe, R.G. Project Manager
approved By:	

ATTACHMENT A

The cost estimates provided herein are based on our professional judgment of the level of effort required to complete the work and our customary charge rates described below. Costs include overhead, fringe benefits, and fee.

Phase II assessment	FIVE BO	RINGS	SIX BC	RINGS
<u>Personnel</u>	Hours	Costs	<u>Hours</u>	Costs
Officer Project Manager Project Geologist Word Processor/Administrative	1 10 60 • <u>4</u>	\$ 150 864 3,340 192	1 10 62 <u>4</u>	\$ 150 864 3,452 <u>192</u>
	75	\$ 4,546	7 7	\$ 4,658
Other Direct Costs				
Laboratory Analysis Mileage Telephone Equipment Computer Connect 12 hrs @ \$6/hr Copying Drilling Contractor		\$ 2,602 100 25 250 72 75 		\$ 3,042 100 25 250 72 75 5,247
		<u>\$ 8,211</u>		<u>\$ 8811</u>
Plus 10%		821		<u>881</u>
		\$ 9,032		\$ 9,692
	TOTAL COST	\$ 13,578		\$ 14,350

ATTACHMENT B

CONTRACT TERMS

Invoicing and Payment

A project duration of two weeks is anticipated. Therefore, CDM will submit only one invoice to McDonnell Douglas Realty Company for project services rendered. The invoice will specify total payment due and include itemized breakdowns for labor and other direct charges. Back-up (i.e., receipts, expense reports, vendor invoices, etc.) for other direct charges will be provided to McDonnell Douglas Realty Company if requested. Payment is due within 30 days of the invoice date.

Labor

Work done by CDM will be billed at the salary cost of such services for employees plus 135 percent of the salary cost for overhead and profit plus actual out-of-pocket expense costs. Salary cost is defined as the cost of salaries (including sick leave, vacations, and holiday pay applicable thereto) for time directly chargeable to the project; plus unemployment, excise, and payroll taxes; and contributions for social security, employment compensation insurance, retirement benefits, and medical and other group insurance benefits. The salary cost includes a 36.5 percent fringe benefit factor taken on direct labor. McDonnell Douglas Realty Company will only be charged for those hours spent by staff working on the project.

Other Costs

Internal charges for items such as photocopying, blueline prints, computer charges, company vehicles and company—owned equipment rental are charged at cost plus 10 percent. External charges such as travel, subcontracts, shipping, telephone, etc., are charged at actual cost plus 10 percent for handling.

Other Considerations

Notwithstanding anything to the contrary elsewhere in this proposal or contract, with the exception of claims, losses, and expenses for which insurance is provided to CDM, McDonnell Douglas Realty Company shall indemnify, defend and hold harmless CDM and its subcontractors, agents, and employees from and against all claims, damages, losses, and expenses, direct and indirect, or consequential damages, including but not limited to fees and charges of attorneys and court and arbitration costs, arising out of or resulting from the performance of the work by CDM or claims against CDM arising out of the work of others and related to the dispersal, discharge, escape, release, or saturation of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, gases, or any material, irritant, contaminant, or pollutant in or into the atmosphere, or on, onto, upon, in, or into the surface or subsurface (a) soil, (b) water or watercourses, (c) objects, or (d) and tangible or intangible matter, whether sudden or not.

